



DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-2-2013]

Foreign-Trade Zone 117 – Orange, Texas
Notification of Proposed Production Activity
Signal International Texas GP, LLC
(Shipbuilding)
Orange, Texas

The Foreign Trade Zone of Southeast Texas, Inc., grantee of FTZ 117, submitted a notification of proposed production activity on behalf of Signal International Texas GP, LLC (Signal), located in Orange, Texas. The notification conforming to the requirements of the regulations of the Board (15 CFR 400.22) was received on January 10, 2013.

The Signal facility is located at 91 Front Street, Orange (Orange County), Texas. A separate application for subzone status at the Signal facility was submitted and will be processed under Section 400.31 of the Board's regulations. The facility is used for the construction and repair of oceangoing vessels. Pursuant to 15 CFR Section 400.14(b) of the regulations, FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Signal from customs duty payments on foreign status components used in export production. On its domestic sales, Signal would be able to choose the duty rate during customs entry procedures that apply to oceangoing vessels (duty rate – free) for the foreign status inputs noted below. Customs duties also could possibly be deferred or reduced on foreign status production equipment.

Components and materials sourced from abroad include: coatings/resins, fittings, flanges, couplings, sleeves, anchors, wire, copper fittings, fasteners, aluminum rods/profiles/fittings, marine engines, boxes/crates/bins, handles, knobs, gaskets, tarpaulins, life jackets, insulation, plaster tiles, tableware, winches, ladders, hangers, pipes/fittings of lead and tin, flexible tubing of base metals, boilers, steam turbines and related parts, diesel engines and related parts, non-aircraft gas turbines, hydro jet engines, pumps and related parts, compressors, turbochargers, refrigeration/ cooling equipment, electric motors, generators, evaporative air coolers, derricks, other machinery, valves, filters, liquid purifiers, sprayers, electrical ballasts, transformers, bearings, acoustic baffles, heaters, transmission shafts, propellers, starters, radio/TV/radar equipment, signaling devices, electrical components and panels, wiring harnesses, lamps, cables, mirrors, sonar apparatus, optical instruments, micrometers and calipers, thermostats, chronometers, regulators, controllers, and search lights (duty rate ranges from free to 6.7%). The production activity under FTZ procedures would be subject to the “standard shipyard restriction” applicable to foreign origin steel mill products (*e.g.*, angles, pipe, plate), which requires that all applicable duties be paid on such items.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is ***[insert date 40 days from date of publication]***.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the “Reading Room” section of the Board’s website, which is accessible via www.trade.gov/ftz.

For further information, contact Pierre Duy at Pierre.Duy@trade.gov or (202) 482-1378.

Dated: 1/15/2013

Andrew McGilvray
Executive Secretary

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